



# Establishing Green Purchasing Priorities

By Scot Case

After making a commitment to buy “green,” almost every organization asks the same question. Given the thousands of commodities we purchase, which products and services should we tackle first? There are almost as many answers to this important question as there are people asking it.

Based on interviews with environmental purchasing advocates, information contained in written policies, discussions with purchasing officials, and other anecdotal evidence, it appears most organizations do not have formal procedures for selecting commodity areas. They just start where they can. They do, however, have good reasons for starting where they did.

Some purchasers report that priorities are established because someone in a leadership position expresses interest in a particular commodity or because of outside public pressure around specific purchases. Others suggested a variety of more strategic explanations for how products can or should be selected or how they thought others were selecting them. Their explanations provide a useful framework for understanding how an organization can prioritize its environmental purchasing efforts.

Organizations are deciding which commodities to emphasize based upon:

- Federal government recommendations
- Third party recommendations
- Potential cost savings
- The activities of peers and other leading organizations
- Upcoming purchasing needs
- Level of difficulty
- Local public perceptions and environmental concerns
- Greatest environmental impacts.

## Federal Government Recommendations

Many programs have found that following the lead of the U.S. federal government is an effective and politically safe way to launch an environmental purchasing program. The U.S. government has developed lists of recycled-content and energy-efficient products that make it easy for purchasing officials to integrate them into the purchasing process. The integration is made easier because some of these environmental purchases are actually required under federal law.

With the case of recycled-content products, any entity receiving federal money that spends more than \$10,000 annually on a product designated by the U.S. Environmental Protection Agency (EPA) is required to buy the recycled-content version of the product unless product costs are unreasonable or product performance is unacceptable. This Resources Conservation and Recovery Act (RCRA) requirement applies to all federal agencies, state and local governments, and nonprofit organizations receiving federal money. There are currently more than 50 different commodities on EPA’s designated products list. A copy of the list is available at [www.epa.gov/cpg](http://www.epa.gov/cpg).

Federal agencies are similarly required to buy energy-efficient products under a “Greening the Government” executive order. To remain in compliance, agencies rely on the energy efficiency standards and list of approved products developed by the Energy Star program, [www.energy.star.gov](http://www.energy.star.gov). While not required by law, many state and local governments also incorporate Energy Star’s list of energy-efficient products into their environmental purchasing programs.

Within the next few months, federal



*Scot Case is the Director of Procurement Strategies at the Center for a New American Dream.*



agencies will also need to buy biobased products identified by the U.S. Department of Agriculture (USDA) as required under the 2002 Farm Bill. Biobased products are products made from renewable domestic agricultural resources or forestry materials. In addition to their potential environmental benefits, biobased products also protect local agricultural jobs. The list of USDA designated products will be available on its website at [www.ars.usda.gov/bbcc/](http://www.ars.usda.gov/bbcc/).

Government purchasers, however, are also looking beyond these single attribute programs (recycled-content, energy-efficiency, and biobased) to help them make more environmentally preferable purchases. The EPA's Environmentally Preferable Purchasing (EPP) program, [www.epa.gov/oppt/epp](http://www.epa.gov/oppt/epp), promotes purchasing recommendations that balance multiple environmental attributes (low toxicity, recycled-content, and others). Of particular value to purchasing officials is its database of contract language and environmental standards for hundreds of products. The EPP program also released draft purchasing recommendations for cleaning products, copiers, carpets, electronics, and other commodities a few years ago. They are currently being reviewed for potential re-release.

### **Third-Party Recommendations**

When looking for commodities to integrate into an environmental purchasing program, purchasers are also looking to well respected environmental labeling organizations such as the Canadian Environmental Choice Program, [www.environmentalchoice.ca](http://www.environmentalchoice.ca), or Green Seal, [www.greenseal.org](http://www.greenseal.org). As a Canadian government-sponsored program, the Environmental Choice standard is

highly regarded by many purchasers, especially in Canada. Although the U.S. government has not officially endorsed Green Seal or any other environmental standard organization, the U.S. Department of Interior and EPA both established goals to buy products meeting the Green Seal standards as part of their environmental purchasing plans. Many state and local governments are also using the Green Seal standards.

Both Environmental Choice and Green Seal have developed environmental standards for dozens of the most commonly purchased commodities. The commodities were selected, in part, based on the significance of their environmental impact so deriving environmental purchasing priorities from the list of existing standards is appropriate, according to several environmental purchasing advocates and practitioners. Using the standards also makes it easier to specify the environmentally preferable alternatives.

### **Potential Cost Savings**

Several purchasing officials explained that cost savings are more important to senior management than integrating environmental considerations, but that environmental considerations remain important for political reasons. In many of these situations, purchasing officials are further hampered because they are only permitted to buy the more environmentally preferable commodities if they have a lower initial cost than the more traditional ones. In these cases, purchasers tend to prioritize products like remanufactured toner cartridges, which can be 30 percent or more less expensive than new cartridges while carrying the same product warranties. Similar savings are available with re-refined motor oil and other recycled-content

products. As with every recycled-content purchase, these purchases also reduce resource use, energy use, and any associated air and water pollution.

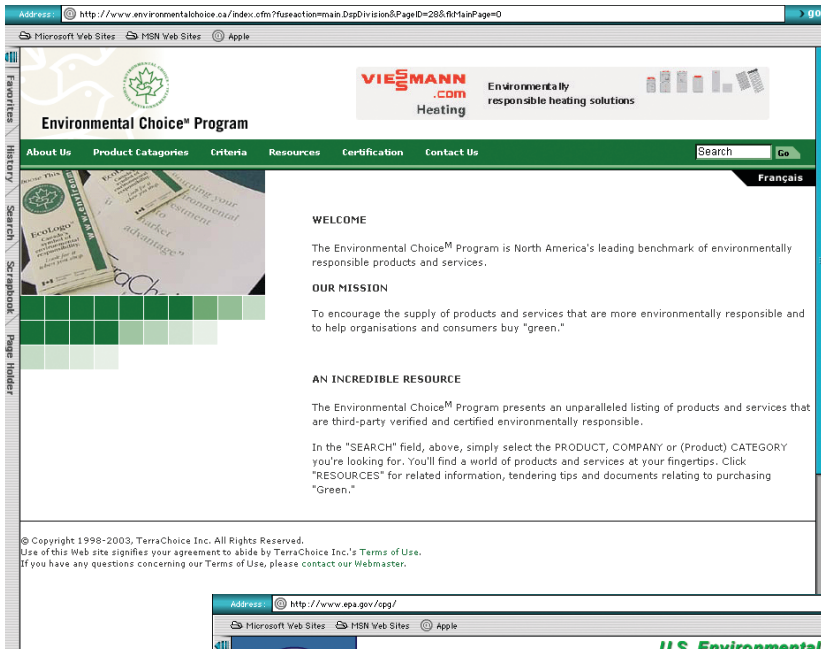
Purchasers are also discovering direct and indirect savings by buying lower-toxicity versions of products like paint and cleaning chemicals. Based on an EPA study, less hazardous paints are on average \$1.76 less expensive per gallon. They also reduce hazardous material handling and disposal costs. Safer cleaning chemicals are available at no additional cost. They come without the cancer-causing ingredients and other human health and environmental hazards and they are just as effective as traditional products. The use of safer cleaners can also contribute to increased worker productivity, reduced injury rates, and lower liability costs, all of which produce significant savings.

In other cases, purchasers are allowed to examine the complete life-cycle costs of the products. A life-cycle cost evaluation can demonstrate long-term financial savings resulting from improved product efficiency (e.g., lower energy or water costs), improved durability, reduced liabilities, lower disposal costs, or reduced insurance rates. This kind of analysis makes environmentally preferable choices like advanced energy-efficient equipment and buildings and super fuel-efficient vehicles top priorities because they combine significant environmental improvement with impressive cost savings.

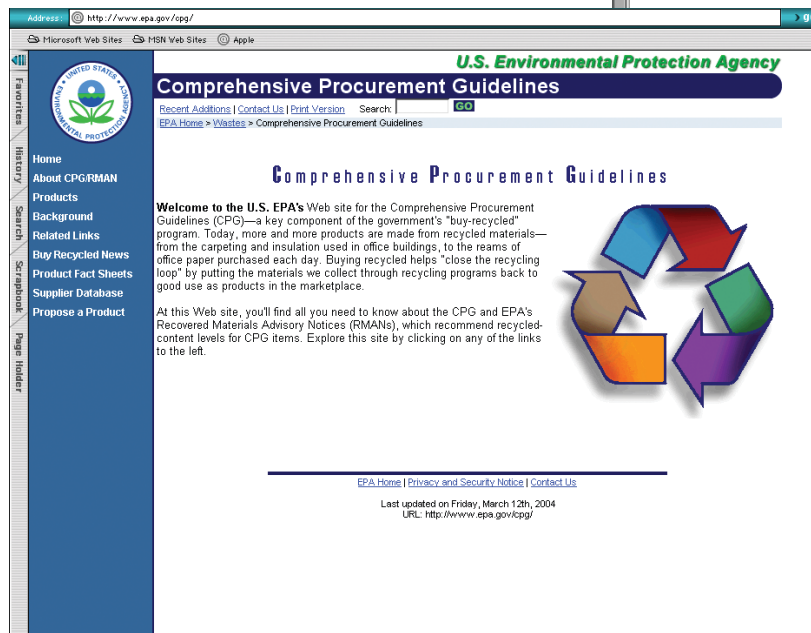
### **The Activities of Peers and Other Leading Organizations**

Some environmental purchasing programs are more likely to prioritize a commodity if others have already integrated it into their programs. "Never underestimate the

**When looking for commodities to integrate  
into an environmental purchasing program,  
purchasers are also looking to well respected  
environmental labeling organizations...**



Visit Environmental Choice (top) at: [www.environmentalchoice.ca](http://www.environmentalchoice.ca). The site identifies products meeting its environmental standards along with information on the standards. Find the EPA's Comprehensive Procurement Guidelines (right) at: [www.epa.gov/cpg](http://www.epa.gov/cpg). The guidelines include the list of more than 50 recycled-content product categories that entities spending federal money are required to buy.



power of peer pressure," commented one environmental purchasing practitioner. Based on discussions with others, there does appear to be a degree of competition among some environmental purchasing programs to see which can develop the most aggressive environmental standards or integrate the greatest number of commodities.

A quick list of a few of the most admired programs would include those in King County, WA; Massachusetts; Minnesota; Pennsylvania; Santa Monica, CA; Sarasota County, FL; and Seattle, WA, among others. Information about

these and other programs is available on the Center for a New American Dream's Institutional Purchasing Program Web site at: [www.newdream.org/procure](http://www.newdream.org/procure).

## Upcoming Purchasing Needs

Several purchasing officials suggested they try to integrate environmental considerations into any large purchase as time and local interest permits. According to one practitioner, "If we see there is a big contract for widgets on the horizon and if we have time, we'll look into how we can 'green' that purchase." An-

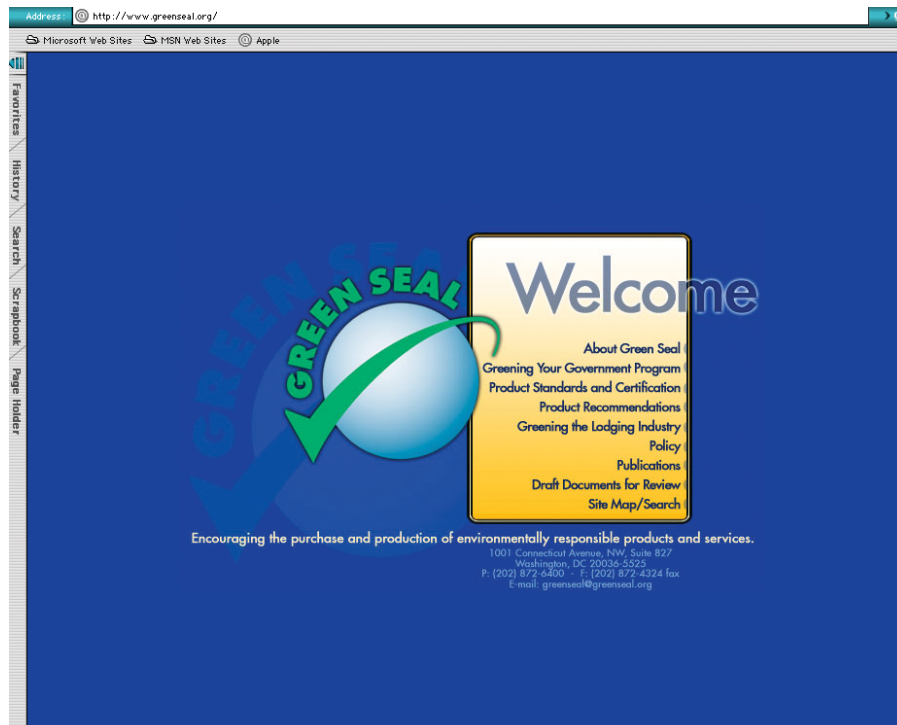
other suggested something similar, "We don't go into the year knowing which products we'll try and green. We just wait and see which opportunities present themselves." Very successful programs have been built using this approach, although they are highly dependent on dedicated advocates within the organization.

## Level of Difficulty

Given the enormous time constraints and staff reductions faced by purchasing offices, many purchasers admitted they only buy green "when it's easy." According to these purchasers, the kinds of things that make green purchasing easier are federal government recommendations and the availability of well-respected, well-known standards or contract language that can be easily incorporated. It also helps knowing that others have already successfully integrated environmental considerations into a similar purchase.

## Local Public Perceptions and Environmental Concerns

When choosing commodity areas on which to focus, a few purchasers mentioned the importance of selecting commodities that have an environmental impact already understood by the general public. Buying recycled-content paper was mentioned as an example because the general public already has some understanding that buying recycled paper reduces the number of trees that must be cut. Buying other recycled-content products is also popular because the public has some sense that buying recycled keeps material out of the landfills. Similarly, energy- and water-efficient products resonate with the public because they understand the resulting financial savings.



*Green Seal strives to achieve a healthier and cleaner environment by identifying and promoting products and services that cause less toxic pollution and waste, conserve resources and habitats, and minimize global warming and ozone depletion.*

A purchaser in the Pacific Northwest United States mentioned the importance many people in that region place on protecting wild salmon, a local endangered fish species that has generated broad public interest. As a result, many of their environmental purchasing initiatives are linked with wider efforts to protect the salmon. Two other purchasers mentioned the desire to protect local watersheds as a reason for focusing on environmentally preferable cleaning products.

### Greatest Environmental Impacts

All of the environmental purchasing practitioners and advocates explained that in an ideal world they would prioritize commodities based on their potential environmental impact. Purchases with the greatest impact would have the highest priority. Most suggested, however, that political realities, limited time, financial constraints, and a lack of good information about which products actually have the greatest environmental impacts mean that potential environmental impact rarely plays the

primary role in determining which products will be incorporated into an environmental purchasing program. One purchaser, however, suggested that he looks for the largest upcoming purchases with the assumption that any large purchase will have greater environmental impacts than a smaller-scale purchase.

The EPA attempted to prioritize environmental purchasing impact based on a review of U.S. federal government purchasing volume and associated environmental impact. Although the product categories this study examined are very broad, it did identify purchases of chemicals and soaps and detergents as having the most significant impacts. A complete list of its

recommended priorities is available at: [www.epa.gov/oppt/epp/guidance/top20detailchart.htm](http://www.epa.gov/oppt/epp/guidance/top20detailchart.htm).

Very few additional studies have been conducted to help purchasers determine which purchases actually have the largest environmental impacts. The most well known, *The Consumer's Guide to Effective Environmental Choices*, published in 1999, was written to address the needs of individual consumers, not institutional purchasers. However, many of its conclusions appear relevant for purchasers interested in prioritizing their environmental purchasing activities.

It concludes that the most significant environmental impacts are associated with purchases of:

- Automobiles
- Food
- Building operations (especially heating and cooling)
- Office equipment
- Electricity generation.

Those conclusions are consistent with other assessments about humanity's greatest environmental impacts and may provide purchasers with some help in establishing environmental purchasing program priorities.

While there are a variety of reasons for selecting different program priorities, when asked to provide advice about which commodity should be the initial focus of an environmental purchasing program, purchasing officials and environmental purchasing advocates repeated a very similar message—just start where you can. Some commodity areas are going to be easier to integrate in some organizations than in others for a

**The most significant environmental impacts are associated with purchases of: automobiles, food, building operations (especially heating and cooling), office equipment, and electricity generation.**



variety of political, organizational, and local market conditions. At this point in the rapid evolution of the environmental purchasing movement, they feel it is more important to “green” any purchase possible because success with any commodity

by anyone makes it easier for others to increase their own success. □

Editor’s Note: The Green Purchaser is a regular feature tracking the growing sustainable purchasing movement—the effort to buy less polluting products from less

polluting companies. Scot Case is the Director of Procurement Strategies at the Center for a New American Dream where he helps institutional purchasers buy less polluting products from less polluting companies. Visit: [www.newdream.org/procure](http://www.newdream.org/procure) or e-mail Case at [scot@newdream.org](mailto:scot@newdream.org).



## PRO PATHWAYS

—**Center for a New American Dream**, [www.newdream.org/procure](http://www.newdream.org/procure), highlights policies and activities of environmental purchasing programs across the country along with detailed information on selected commodities.

—**Department of Agriculture Biobased Program**, [www.ars.usda.gov/bbcc/](http://www.ars.usda.gov/bbcc/), describes the forthcoming biobased purchasing requirements.

—**Energy Star**, [www.energy.star.gov](http://www.energy.star.gov), identifies energy-efficient products in more than 35 product categories.

—**Environmental Choice**, [www.environmentalchoice.ca](http://www.environmentalchoice.ca), identifies products meeting its environmental standards along with information on the standards.

—**EPA’s Comprehensive Procurement Guidelines**, [www.epa.gov/cpg](http://www.epa.gov/cpg), includes the list of more than 50 recycled-content product categories entities spending federal money are required to buy.

—**EPA’s Environmentally Preferable Purchasing Program**, [www.epa.gov/oppt/epp](http://www.epa.gov/oppt/epp), provides tools and resources to make it easier to buy more environmentally preferable products.

—**Green Seal**, [www.greenseal.org](http://www.greenseal.org), lists products meeting its environmental standards along with information on the standards.